

PX 647

From: [REDACTED]@ripple.com>
Sent: Wednesday, July 29, 2020 4:13 PM
To: Ron Will; Brad Garlinghouse
Cc: [REDACTED]
Subject: August XRP funding proposal
Attachments: Funding Forecast - 7.28.20 - clean.xlsx

Hi Brad and Ron,

We got through July using 200m from escrow, leftovers from June funding from reserves, as well as bringing our operating accounts combined XRP balance essentially to zero (we in effect looked under the couch cushions to fund some last minute payments).

For August, we expect gross usage of XRP to be 300 million, roughly split 2/3 sales ([REDACTED] and XRP-O) and 1/3 other (primarily coil, [REDACTED] donations and leases to support liquidity).

However, given our XRP recapture activity, our net usage will be much lower, but with a hold on using XRP recapture funds, August will again be difficult to keep escrow funds usage to 200 million.

For current purposes, I propose that we fund from reserves at least to the extent of our XRP recapture to date.

Please approve funding operating wallets from reserved XRP to the extent usage in August exceeds 200 million XRP.

A brief analysis of historical usage is attached. While numbers through June reflect actual supply introduction (tie to inflation and website reporting), the July figures include amounts that we need to prefund but don't count towards outstanding supply until consumed (i.e. XRP-O and [REDACTED] funding).

Props to [REDACTED] for getting into the prep work here.

Thanks,

[REDACTED]
Controller | Ripple

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Ripple August Forecast

	MTD							Monthly Avg.	
	January	February	March	April	May	June	July		
XRP-O									
Sales total									
XRP Purchase									
Purchases total									
Coil Development Fund									
Investment									
Xpring and BD total									
MM Lease									
MM Fees									
MGI - Volume incentive									
MGI - Fx rebate									
Incentive									
Fx rebate									
Adoption marketing									
ODL Lease									
ODL total									
Employee									
Founder									
Other									
Donations									
Inflow from Net Settled Options									
Other Expense total									
Total									

August Forecast Notes

Funded 50M on 7/28, expecting an additional 50M funding in August pending renegotiation with [REDACTED] \$21.8M, [REDACTED] \$4.0M

OMIT FROM ESCROW USAGE FORECAST - Unable to recycle XRP being repurchased

Monthly average, lumpy recently but potential increase
Chasing information on one milestone, likely none due in August
\$3.4M invoice to be paid
No incentives expected to be met in August
No additional investments in XRP expected

Expect 20M XRP each GSR and [REDACTED] 3.8M for [REDACTED] new corridor
Run rate based on post-MGI volume drop and renegotiated contracts
2 month average post contract amendment
2 month average post contract amendment
Monthly average
Monthly average
Monthly average
No ODL lease return expected

Monthly average

Monthly average exclusive of ZC bonus and May programmatic sales return
Ongoing [REDACTED] 15M XRP, [REDACTED] \$400k
Monthly average [REDACTED]